

YUG-SOV

Reds Defend Tito Credit Suspension

By Roy Eshoyan

MOSCOW, July 5 (AP) — The newspaper Izvestia said today the Soviet Union's pullback of \$285 million in credits to Yugoslavia was perfectly legal. The suspension of credits, the government paper said, is fully sanctioned by international law. It claimed that international law permits changes in the conditions of any international trade agreement and "does not deprive either side of the right to make such changes simply because the agreement has been signed."

Asserting that the Yugoslavs were attempting "to cast a shadow on the Soviet Union's integrity" in international agreements, Izvestia declared the Yugoslavs want to sow doubt among the underdeveloped countries of Asia and Africa. The paper said those areas are now receiving "fraternal and disinterested assistance" from the Soviet Union. It added that a recent attempt by a "group of reactionary American lawyers" to compile a list of international agreements "allegedly violated" by Russia ended in a fiasco. The paper did not elaborate on this.

But it added that U. S. businessmen themselves "evaluate Soviet economic aid abroad more soberly than the Yugoslavs who call themselves Marxists."

The paper quoted Clarence Randall, special U. S. Presidential Assistant on Foreign Economic Affairs, as saying the the Soviet Union charged lower prices and interest rates than the United States and that the Soviet economy and the economies of underdeveloped nations "complement each other while our (the U. S.) economy runs counter to them."

Anyway, it added, if Yugoslavia considers Soviet economic aid as exploitation the Yugoslavs should be cheering and not complaining now that this aid has been suspended.

(The Soviet pullback of credits came late in May after the Yugoslav Communist Party strongly reaffirmed its stand of independence from the Kremlin. The Soviet move was considered an economic squeeze to bring Yugoslav President Tito under the Kremlin thumb. Yugoslavia, however, has demanded that the Russians live up to their agreements or face what amounts to a suit for damages. Any such legal action could be taken to the World Court at The Hague, but Russia would not be bound by any decision of the Court. However, the Yugoslavs have not specified how they would go about taking legal action.)